

**BOARD OF INVESTMENT TRUSTEES  
MONTGOMERY COUNTY EMPLOYEE RETIREMENT PLANS**

**MINUTES – OPEN SESSION**

September 23, 2011

101 Monroe Street, 15<sup>th</sup> floor  
Rockville, Maryland

Board Members Present:

Kelda Simpson  
Sunil Pandya  
Jeff Buddle  
Jeff Sharpe  
Joseph Beach  
Jennifer Hughes  
Meg Menke  
Gino Renne  
George Willie  
Steve Farber

Staff:

Linda Herman  
Marc Esen  
Brad Stelzer  
Stuart Potter  
John Feketekuty  
Akiko Kawashima

Others Present:

Mark Brubaker, Wilshire Associates  
Mike Dudkowski, Wilshire Associates  
Brad Atkins, Franklin Park  
Narayan Chowdhury, Franklin Park  
Amy Moskowitz, Counsel to the Board

***CALL TO ORDER***

Ms. Simpson called the open session of the Board to order at 9:00 a.m.

***DETERMINATION OF MEETING***

The Board unanimously approved a motion to move into closed session at 9:01 a.m. for the purpose of discussing the investment of public funds, pursuant to Maryland Code, State Government Article, 10-508(a)(5).

Ms. Simpson called the open session of the Board to order at 12:20 p.m.

**Approval of the Minutes:** Mr. Sharpe moved and Mr. Farber seconded, and the Board unanimously approved the minutes of the July 22, 2011 meeting.

**Compliance and Audit Committee Meeting:** Ms. Herman provided the Board with an update on the issues discussed at the Committee's August 25, 2011 meeting. The County Attorney's Office provided an opinion that a trustee or Board staff member does not need to report the gift of travel expenses from a conference/meeting sponsor on their annual Ethics Commission financial disclosure due to the gift being given to the County (Board) and not the individual.

Ms. Moskowitz discussed the Board's operating history regarding the Maryland Open Meeting Act and the Board's options for complying with the Act. She noted that public policy favors open meetings and while the Board may close meetings under an exception, such as investment of public funds, the Board should be mindful of only closing meetings where it could be harmful to have information regarding the Retirement Plans released to the public. After discussion, Mr. Sharpe moved and Mr. Farber seconded and the Board unanimously approved the following resolution:

**1109-06      *Resolved, That the Board continue to hold open meetings under the Maryland Open Meeting Act and only close meetings under exceptions allowed under the Act and that Staff consult with the County Attorney's Office to discuss agenda items which should be discussed in closed session prior to the Board meeting.***

**Semi-Annual Risk & Compliance Report:** Ms. Kawashima presented the Report noting that there were no significant issues and no material findings from the audits conducted by the SEC and other regulatory agencies.

**ERP Project – Retiree Payroll:** Ms. Herman updated the Board on the progress of moving the processing of retiree payroll from Aetna to the County. While January 1, 2012 is the target date, and Aetna requires a 60 day notification date, there are still critical areas which need to be addressed. After discussion, Mr. Renne moved and Mr. Sharpe seconded, and the Board unanimously approved the following resolution:

**1109-07      *Resolved, That Staff be given the authority to notify Aetna of a termination date if the following critical areas are addressed prior to the Board's November meeting:***

- **technology and data transition issues are resolved, included parallel testing against Aetna's COLA calculation and payment**
- **adequate resources are in place and trained and the appropriate knowledge transfer takes place**
- **new software patches are applied by County staff**
- **memorandum of understanding is created and signed by all departments.**

There being no further business of the Board, the open meeting session was adjourned at 12:45 p.m.

Respectfully submitted,

---

Joseph Adler, Secretary